

# **EXHIBIT 3**

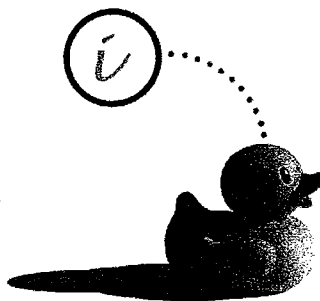


**Damages in Brady et al vs.  
The Air Line Pilots Association**

**Supplementary Report on Damages Under the  
Farber Lists**

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**Think Information**

### Farber Lists

In Patrick Brady et al v. Air Line Pilots Association (ALPA), the jury found that ALPA violated its duty of fair representation to the former pilots of Trans World Air (TWA) and that this violation caused injury to the TWA pilots. This report concerns the calculation of those damages under a list which I will refer to as the "Farber List."

The Farber Lists are three seniority lists that merge the pilots of American Airlines and TWA who were active at the time those two companies merged. These lists were provided to me in electronic format and are included as Farber Appendix 1. In order to harmonize the lists with other seniority lists from later periods, 5 pilots had to be dropped and 28 were inserted above the pilot junior to them on later lists and their employee IDs changed to ones used by the modelling software. These deletions and insertions are detailed in Farber Appendix 2. The assigned employee IDs, matching those in the main report Appendix 16 data tables is detailed in Farber Appendix 3. No other modifications to the lists provided were made.

In my report *Damages in Brady et al v. The Air Line Pilots Association* dated October 12, 2012, I outlined the methodology which was used for analyzing the damages in this matter. Those calculations were performed on a number of different lists using the same assumptions. I have also run the Farber Lists in the same manner as those lists. Figure 1 below summarizes the results of those calculations and any descriptive comments in that other report apply to these results. The damages to individual pilots under each list are in Farber Appendix 4 and all intermediate calculations and inputs are included in the data files in Appendix 16 of my main report.

Figures 2, 3 and 4 plot the damage to each TWA pilot under the Farber Lists 1, 2 and 3 respectively according to each pilot's TWA seniority number in April 2001.

**Figure 1**

Figures in \$M			
	<b>Farber Seniority List #1</b>	<b>Farber Seniority List #2</b>	<b>Farber Seniority List #3</b>
<b>April 2002 - June 2012</b>			
Employment Damages	(209.4)	(227.3)	(184.1)
Interest	(35.6)	(38.7)	(31.2)
Subtotal	(245.0)	(265.9)	(215.3)
Furlough Damages	(472.8)	(576.7)	(351.8)
Interest	(79.7)	(96.0)	(60.9)
Subtotal	(552.5)	(672.6)	(412.7)
Subtotal	(797.5)	(938.6)	(628.0)
<b>July 2012 - June 2026</b>			
Employment Damages	(235.5)	(276.3)	(186.4)
PV Discount	27.5	33.1	20.9
Subtotal	(208.0)	(243.2)	(165.5)
<b>Pension</b>			
Plan A Damages	(104.2)	(121.3)	(83.0)
Plan B Damages	(216.4)	(261.0)	(163.8)
Total	(320.6)	(382.3)	(246.7)
<b>Total Damages</b>	<b>(1,326.2)</b>	<b>(1,564.1)</b>	<b>(1,040.2)</b>

Figure 2

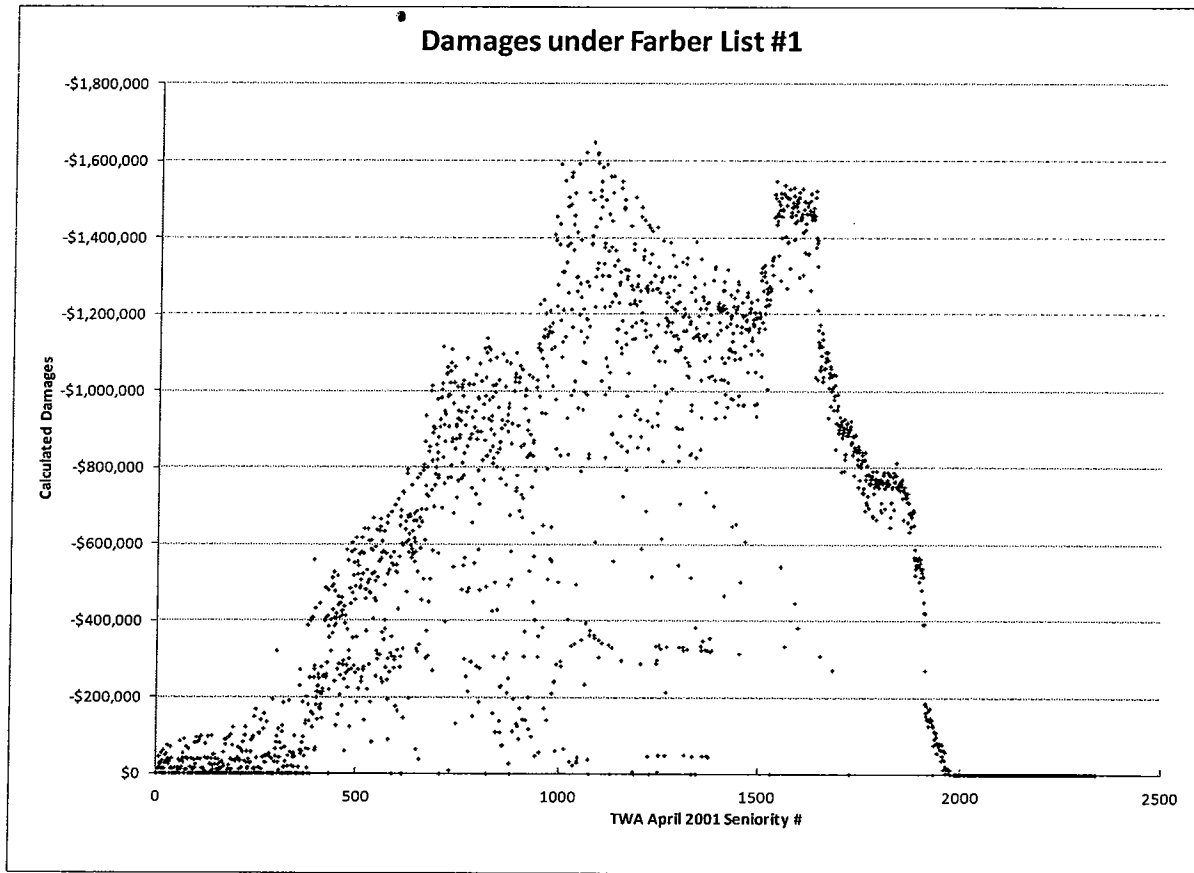


Figure 3

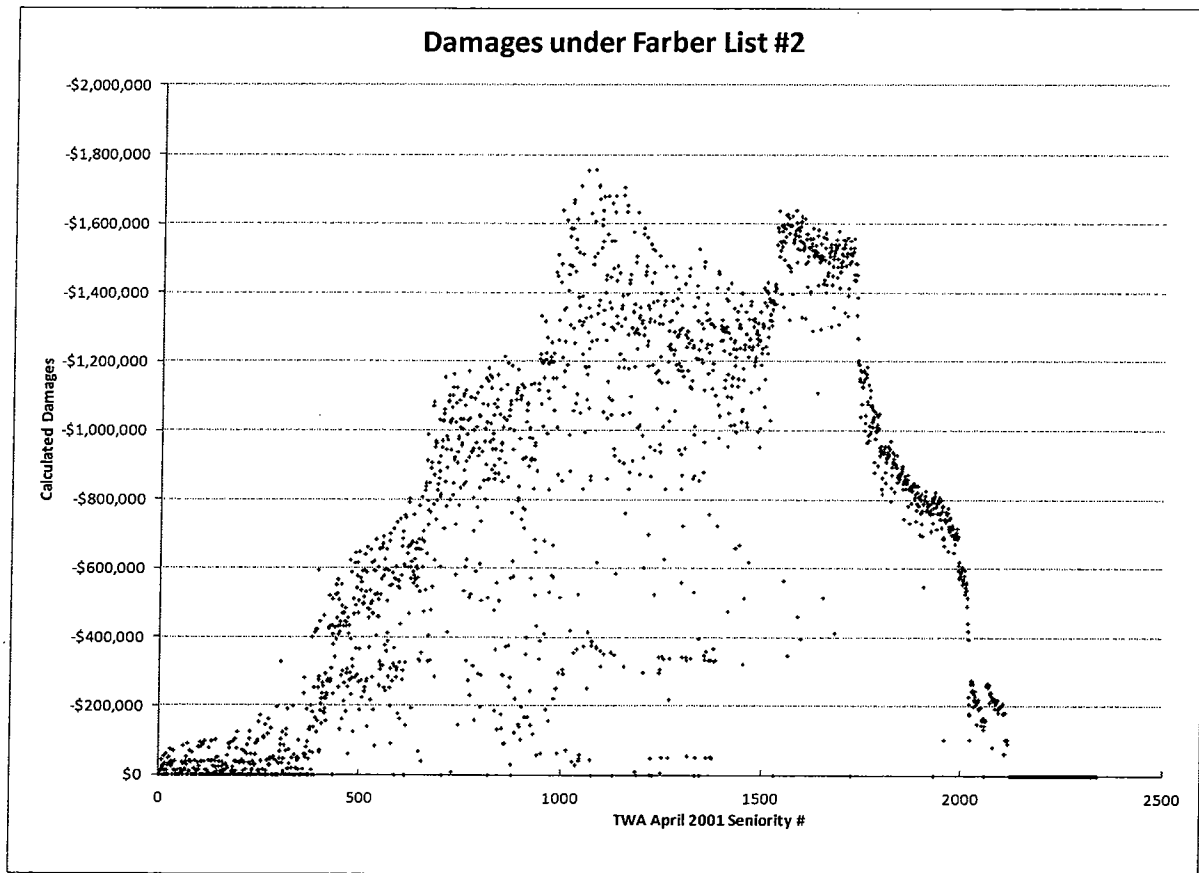


Figure 4

